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Sen. Beverly Gard
Sen. Connie Lawson
Sen. Ryan Mishler
Sen. Marvin Riegsecker
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HEALTH FINANCE COMMISSION

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MEETING MINUTES¹

Meeting Date: August 8, 2005
Meeting Time: 1:00 P.M.
Meeting Place: State House, 200 W. Washington St.,
Senate Chambers
Meeting City: Indianapolis, Indiana
Meeting Number: 2

Members Present: Sen. Patricia Miller, Chairperson; Sen. Gary Dillon; Sen. Beverly Gard; Sen. Connie Lawson; Sen. Marvin Riegsecker; Sen. Billie Breaux; Sen. Vi Simpson; Sen. Connie Sipes; Sen. Timothy Skinner; Rep. Vaneta Becker, Vice-Chairperson; Rep. Timothy Brown; Rep. Robert Behning; Rep. Mary Kay Budak; Rep. Richard Dodge; Rep. David Frizzell; Rep. Don Lehe; Rep. Charlie Brown; Rep. Carolene Mays; Rep. David Orentlicher; Rep. Scott Reske.

Members Absent: Sen. Ryan Mishler; Sen. Greg Server; Rep. Craig Fry.

The second meeting of the Health Finance Commission was called to order at 1:10 P.M. by Chairperson Miller.

Childhood and Adult Obesity

Dr. William Wishner reported that 25% to 50% of Indiana adults are obese with minority populations being more adversely affected. (See Handout A.) An even larger percentage are considered to be overweight. These statistics are based on self-reported data; there is no good data source on obesity and overweight status of the population. Obesity has medical and economic consequences. It is estimated that the cost to Indiana is now close to \$2 B annually in treatment cost for obesity and in lower worker and academic productivity. Dr. Wishner reported

¹ Exhibits and other materials referenced in these minutes can be inspected and copied in the Legislative Information Center in Room 230 of the State House in Indianapolis, Indiana. Requests for copies may be mailed to the Legislative Information Center, Legislative Services Agency, 200 West Washington Street, Indianapolis, IN 46204-2789. A fee of \$0.15 per page and mailing costs will be charged for copies. These minutes are also available on the Internet at the General Assembly homepage. The URL address of the General Assembly homepage is <http://www.ai.org/legislative/>. No fee is charged for viewing, downloading, or printing minutes from the Internet.

that the medical consequences of obesity in adults include: type 2 diabetes, heart disease, stroke, hypertension, high cholesterol, osteoarthritis, asthma, sleep apnea, cancer, increased disability, and mortality. He commented that obesity has become a problem as the result of a combination of factors: improved transportation and the automobile culture; increased food production capacity; improved preservation and storage; lower food prices; the development of the fast food industry; increase in sedentary behavior as a result of the development of electronic technologies; and the dismantling of an environment that encourages physical activity. Dr. Wishner discussed steps that would be needed to change the trends for obesity and overweight. He suggested that efforts should be concentrated on families' children. Children's progress should be measured and tracked since their progress will be the measure of the future. The message of maintaining a healthy active lifestyle and nutritious diet must be coordinated and clear; choose food for life and participate in active play every day. Finally he said that it will take generations to make these behavioral changes.

Committee questions and discussion followed Dr. Wishner's presentation.

Judy Monroe, M.D., Commissioner, Indiana State Department of Health (ISDH) reported that the fight against obesity is the number one priority in achieving a healthy productive life. This goal should also be a shared social goal. Dr. Monroe commented that most people report wanting to be healthy and would like to lose weight, but that these results require a desire to change and work to actually change deep seated emotional and cultural behavior. Losing weight requires changes that are difficult; maintaining weight loss is difficult as well. People must be motivated to change their behavior. She said that children in particular need role models. It will take grassroots leadership to provide the policies that will create an environment that gives people the ability to easily make healthy choices.

Dr. Monroe described INShape Indiana, a statewide initiative umbrella program for health promotion programs and opportunities. (See Handout B.) INShape Indiana is intended to help connect wellness initiatives across the state. Individuals may sign up to track fitness progress on the program's website and earn incentives. Companies will be encouraged to share what works in their employees' wellness programs. The website allows sharing of teaching materials and presentations with speakers and groups trying to educate on the importance of maintaining a healthy weight, good nutrition and an active lifestyle.

Dr. Monroe reported that the Department of Education and the Department of Health are working on a volunteer program with schools to report the Body Mass Index (BMI) of students with parental consent. Wellpoint has donated equipment to perform the measurements in order to provide for standardized reporting. The Department has also convened an Obesity Task Force to identify best practices. In October a statewide Obesity summit will be held to bring together interested parties to create solutions.

Discussion followed and Dr. Monroe answered Commission members' questions.

Representative Vaneta Becker, the House Sponsor of SB360-2005, discussed the school vending language that was included in the Engrossed version of the bill. (See Handout C.) This language was subsequently removed before the bill was passed. Rep. Becker commented that this version of the bill contained several compromises and consequently contained language that was somewhat weaker than that passed by other states. The major components of the bill were described: 1) 50% of choices available in school vending machines must meet the definition of "healthy" as defined by the USDA (this requirement included a three-year phase-in); 2) physical activity is required for elementary students; 3) vending machines were banned from student-accessible areas of elementary schools (This is a current policy of the Indiana Soft Drink Association.); and 4) local school boards are required to establish a coordinated school

health advisory council to develop a local wellness policy.

Commission discussion followed concerning the opposition to the vending requirements and other issues raised that resulted in the withdrawal of this language from the final version of the bill.

Joe Lackey, Executive Director of the Indiana Soft Drink Association, commented that the concerned parties had been close to an agreement on the school vending language but that the time available was not sufficient to work out the compromise. Mr. Lackey said that the bill was called an anti-obesity bill but the definition of "healthy" products did not necessarily relate to fighting obesity.

Commission discussion followed regarding similar bills passed in other states, (including Kentucky and Louisiana), the school's use of vending machine proceeds, and whether diet soft drinks meet the definition of "healthy."

David Thorp, Director of State and Local Affairs for the American Beverage Association, commented that there is no evidence that the requirements of the school vending legislation would influence children's health with respect to overweight or obesity. He said that maintaining a healthy weight requires a balance of intake and activity. Vending machine products supply a small percentage of a student's intake of food. Children need to learn how to incorporate favorite foods into a complete diet along with physical activity. He stated that the industry has adopted model business practices that relate to the hours machines are turned on and products that are available to students, including the prohibition of sales to elementary students. Mr. Thorp reported that on average, students consume less than 20 oz. of vending-delivered drinks per week with bottled water being a popular choice. Mr. Thorp stated that efforts to demonize any particular food is counterproductive since students choose the products they wish to buy. He cited Kentucky as having one of the most restrictive vending policies in the country, yet that state has one of the highest rates of obesity in the country.

Commission discussion followed regarding school vending machine issues.

Michelle Macedonio, Registered Dietician, (R.D.) representing the National Automatic Merchandising Association, described a program called Balanced for Life. This is a new program that partners industry with parents and schools. She reviewed national statistics reported by the Centers for Disease Control (CDC) regarding the weight status of children. As a practicing dietician, she suggested that in order to achieve or maintain a healthy body, weight should not be considered in isolation. Proper nutrition and appropriate physical activity should result in a healthy body size for an individual. She suggested that to beat obesity, children need to form good nutrition and activity habits early; good habits are as hard to break as bad habits.

Commission questions and discussion followed.

Patricia Richards representing the American Cancer Society, remarked that increased risk of cancer is a known result of obesity. Ms. Richards commented on the issues addressed in the school vending bill and observed that the requirements of the bill constitute a minimum level of compliance, and does not prevent schools from doing more.

Martha Rardin, R.D., C.D., of the Indiana Dietetic Association, submitted written comments for the Commission's consideration, (See Handout D). She commented that considering diet soft drinks as a healthy vending item because they do not contribute to obesity ignores the effects of carbonation on bone density.

Commission discussion followed with regard to when efforts to influence children's nutrition should begin. Senator Miller asked Dr. Monroe to report to the Commission on the impact of carbonated drinks, artificial sweeteners, and caffeine on kidney function and bone density.

Medicare Part D Prescription Drug Coverage

Jeanne Labrecque, Director of the Office of Medicaid Policy and Planning presented information on Medicare Part D, the new federal drug benefit to be offered to Medicare beneficiaries in 2006. She reported that the Indiana Rx program will be utilized to coordinate workshops assisting Medicare eligibles in choosing a prescription drug plan. She then reported on the impact of Part D on the Medicaid -Medicare dual eligibles and the resulting size of the Medicaid drug program. She added that the Hoosier Rx program may try to construct a premium assistance program for Medicare Part D.

Katherine Lester, Manager of the Business to Business Division of Eli Lilly and Co., gave a presentation on the Medicare prescription drug benefit. She reviewed who is eligible to participate, defined the standard benefit and how the benefits will be administered, and the time lines for choosing the prescription drug plans. (See Handout E.) The Commission requested Ms. Lester to return to discuss specific issues with them after the individual plans are published in October.

Chairperson Miller announced that the next meeting of the Commission would be at 10:00 A.M. on September 8, 2005.

The meeting was adjourned at 4:15 P.M.